

National Care Home Contract increase 2025/26 approved.

4 Councillor Cunningham, City Convener for Health, Care & Caring and Older People, presented a report regarding an increase to the National Care Home Contract (NCHC) fee rates for 2025/26, advising that

- (1) the NCHC was subject to national negotiation which sets the rates that would apply for 2025/26 and the expectations in relation to the payment of the Adult Social Care Pay rate by providers;
- (2) a rate of 5.79% had been applied to nursing care and 6.79% for residential care from 7th April 2025, with these rates being applied to the NCHC and other commissioned services, including a national minimum wage of £12.21 per hour for domestic and catering support staff, as detailed in the appendices to the report;
- (3) the cost of the uplift for 2025/26 was £7.604m and provision had been made in the Integration Joint Board's 2025/26 budget to meet this commitment;
- (4) the NCHC would be varied to ensure that any provider delivering publicly funded care must pay all direct care workers a minimum of £12.60 per hour and, agree that remuneration could be periodically monitored by the commissioning authority, including direct verification with employees of the provider and that there would be no displacement of any other costs onto staff by the employer; and
- (5) the rate currently excluded an increase in pay for nurses and associated differentials and the offer came with a commitment to consider the appropriate uplift to nursing care rate, maintaining associated differentials, within the model once the Agenda for Change pay negotiations had been concluded.

After consideration, the committee

- (a) agreed to
 - (i) vary the National Care Home Contract in line with the conditions, as detailed in the report; and
 - (ii) apply the National Care Home Contract uplift to commissioned services, as detailed in Appendix 1 to the report; and
- (b) noted
 - (i) the increase to Social Work Services expenditure of £7.604m; and
 - (ii) that a further update might be required once the Agenda for Change pay negotiations were concluded.